

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

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APR 26 2013

DIV. OF OIL, GAS &amp; MINING

In re:

Chapter 11

Geokinetics Inc. et al.,<sup>1</sup>

Case No. 13-10472 (KJC)

Debtors.

Jointly Administered  
Re: Docket No. 127 & 236**SECOND SUPPLEMENTAL DECLARATION OF GEOFFREY C.  
KOSLOV IN SUPPORT OF APPLICATION OF DEBTORS FOR AUTHORITY  
TO EMPLOY AND RETAIN ERNST & YOUNG LLP AS TAX SERVICE  
PROVIDER, NUNC PRO TUNC TO THE PETITION DATE**

I, Geoffrey C. Koslov, under penalty of perjury, declare as follows:

1. I am a partner of Ernst & Young LLP ("EY LLP"). I provide this second supplemental declaration (this "Supplemental Declaration") on behalf of EY LLP in further support of the above-captioned debtors' application filed on March 20, 2013 [Docket No. 127] (the "Application") to retain EY LLP, pursuant to section 327(a) of title 11 of the United States Code (the "Bankruptcy Code"), Rule 2014 of the Federal Rules of Bankruptcy Procedure, and Rule 2014-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware, *nunc pro tunc* to March 10, 2013. This Supplemental Declaration supplements my original declaration filed on March 20, 2013 as Exhibit B to the Application (the "Original Declaration") and my first supplemental declaration filed on April 16, 2013 (the "First Supplemental Declaration") [Docket No. 236].

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Geokinetics Inc. (0082), Geokinetics Holdings USA, Inc. (6645), Geokinetics Services Corp. (1753), Geokinetics Processing, Inc. (9897), Geokinetics Acquisition Company (0110), Geokinetics USA, Inc. (7282), Geokinetics International Holdings, Inc. (8468), Geokinetics Management, Inc. (3414), Geokinetics International, Inc. (2143) and Advanced Seismic Technology, Inc. (9540). The Debtors' address is 1500 Citywest Boulevard, Suite 800, Houston, Texas 77042.



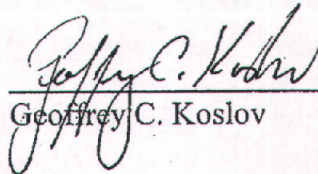
2. The facts set forth in this Supplemental Declaration are based upon my personal knowledge, information and belief, and upon client matter records kept in the ordinary course of business that were reviewed by me or other employees of EY LLP under my supervision and direction.

3. To the best of my knowledge, information and belief based upon the information available to me, I believe that EY LLP is a "disinterested person" within the meaning of Bankruptcy Code section 101(14), as modified by Bankruptcy Code section 1107(b), in that EY LLP:

- (a) is not a creditor, an equity security holder, or an insider of the Debtors;
- (b) is not and was not within two years before the date of filing of the petition, a director, officer or employee of the Debtors; and
- (c) does not have an interest materially adverse to the interest of the estate or of any class of creditors or equity security holders, by reason of any direct or indirect relationship to, connection with, or interest in, the Debtors, or for any other reason.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Executed on April 23, 2013

  
\_\_\_\_\_  
Geoffrey C. Koslov



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DIV. OF OIL, GAS & MINING

In re:	)	Chapter 11
Geokinetics Inc. <u>et al.</u> , <sup>1</sup>	)	Case No. 13-10472 (KJC)
Debtors.	)	Jointly Administered
	)	Re: Docket No. 127,243,266

**ORDER AUTHORIZING THE EMPLOYMENT  
AND RETENTION OF ERNST & YOUNG LLP  
NUNC PRO TUNC TO THE PETITION DATE**

Upon the *Debtors' Application for an Order Authorizing the Employment and Retention of Ernst & Young LLP Nunc Pro Tunc to the Petition Date* (the "Application")<sup>2</sup> of the above-captioned debtors and debtors in possession (collectively, the "Debtors"), for entry of this Order pursuant to Bankruptcy Code sections 327(a) and 328(a), Bankruptcy Rules 2014(a) and 2016, and Local Rules 2014-1 and 2016-2, authorizing the employment and retention of Ernst & Young LLP ("EY LLP") in connection with these chapter 11 cases *nunc pro tunc* to the Petition Date, in accordance with the terms and conditions set forth in the Engagement Letter, all as further described in the Application; and the Court having jurisdiction to consider the Application and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334; and consideration of the Application and the relief requested therein being a core proceeding in accordance with 28 U.S.C. § 157(b)(2); and venue being proper in this District pursuant to 28

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Geokinetics Inc. (0082), Geokinetics Holdings USA, Inc. (6645), Geokinetics Services Corp. (1753), Geokinetics Processing, Inc. (9897), Geokinetics Acquisition Company (0110), Geokinetics USA, Inc. (7282), Geokinetics International Holdings, Inc. (8468), Geokinetics Management, Inc. (3414), Geokinetics International, Inc. (2143) and Advanced Seismic Technology, Inc. (9540). The Debtors' address is 1500 Citywest Boulevard, Suite 800, Houston, Texas 77042.

<sup>2</sup> All capitalized terms not otherwise defined herein are to be given the meanings ascribed to them in the Application.



U.S.C. §§ 1408 and 1409; and due and proper notice of the Application being adequate and appropriate under the particular circumstances; and the deadline for asserting objections to the Application having passed with no objections asserted; and the Court finding that based upon the Declaration, EY LLP is a "disinterested person" as such term is defined in section 101(14) of the Bankruptcy Code and does not hold or represent an interest adverse to the Debtors or their estates and otherwise meets the applicable standards for retention under the Bankruptcy Code and applicable rules; and upon the Declaration and all proceedings had before the Court; and the Court having found and determined that the relief sought in the Application is in the best interests of the Debtors' estates, their creditors, and other parties in interest and that the legal and factual bases set forth in the Application establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is hereby ORDERED:

1. The Application is granted to the extent provided herein *nunc pro tunc* to the Petition Date.

2. In accordance with Bankruptcy Code section 327(a), Bankruptcy Rules 2014(a) and 2016, and Local Rules 2014-1 and 2016-2, the Debtors are hereby authorized to employ and retain EY LLP pursuant to the terms of the Engagement Letter.

3. In accordance with applicable provisions of the Bankruptcy Rules, the Local Rules, the U.S. Trustee Fee Guidelines, and applicable orders of this Court, including any compensation order entered by the Court in these cases, EY LLP shall apply to the Court for payment of compensation for professional services rendered and reimbursement of expenses.

4. To the extent of any conflict between the terms of the Application or the Engagement Letter and the terms of this Order, the terms of this Order shall govern.



5. Notwithstanding anything to the contrary in the Engagement Agreement, the Debtors shall have no obligation to indemnify EY LLP, or provide contribution or reimbursement to EY LLP, for any claim or expense that is either: (i) judicially determined (the determination having become final) to have arisen from EY LLP's gross negligence, willful misconduct, or fraud; (ii) for a contractual dispute in which the Debtors allege the breach of EY LLP's contractual obligations if the Court determines that indemnification, contribution or reimbursement would not be permissible pursuant to *In re United Artists Theatre Co.*, 315 F.3d 217 (3d Cir. 2003); or (iii) settled prior to a judicial determination under (i) or (ii), but determined by this Court, after notice and a hearing, to be a claim or expense for which EY LLP should not receive indemnity, contribution, or reimbursement under the terms of the Engagement Letter as modified by this Order.

6. If, before the earlier of (i) the entry of an order confirming a chapter 11 plan in these chapter 11 cases (that order having become a final order no longer subject to appeal), or (ii) the entry of an order closing these chapter 11 cases, EY LLP believes that it is entitled to the payment of any amounts by the Debtors on account of the Debtors' indemnification, contribution, and/or reimbursement obligations under the Engagement Letter (as modified by this Order), including, without limitation, the advancement of defense costs, EY LLP must file an application therefor in this Court, and the Debtors may not pay any such amounts to EY LLP before the entry of an order by this Court approving the payment. This paragraph is intended only to specify the period of time under which the Court shall have jurisdiction over any request for fees and expenses by EY LLP for indemnification, contribution, or reimbursement, and not a provision limiting the duration of the Debtors' obligation to indemnify EY LLP. All parties in



interest shall retain the right to object to any demand by EY LLP for indemnification, contribution, or reimbursement.

7. Notwithstanding anything in the Engagement Letter to the contrary, the Debtors or EY LLP may terminate the Engagement Letter at any time.

8. Notwithstanding anything in the Engagement Letter to the contrary, the limitation of liability terms set forth in paragraphs 16 through 19 of the General Terms and Conditions to the MSA are deemed stricken and such paragraphs shall be of no force and effect.

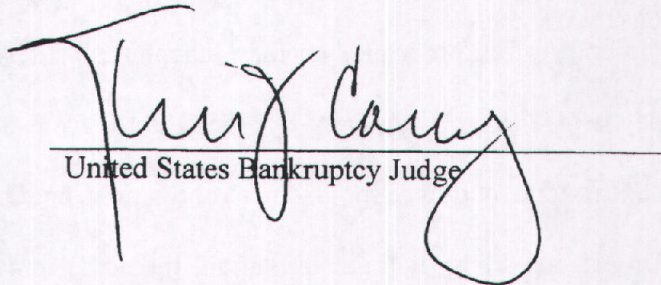
9. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Application.

10. Notwithstanding the possible applicability of Bankruptcy Rules 6004(h), 7062, 9014, or otherwise, this Order shall be immediately effective and enforceable upon its entry.

11. The Court retains jurisdiction with respect to all matters arising from or related to the interpretation or implementation of this Order.

Wilmington, Delaware

Date: April 23, 2013

  
United States Bankruptcy Judge